



Title: **How to Establish an Active UBO Compliance Program**

Session: **T-1-1530**



Objectives

- Understanding what compliance is and why it is needed
- Explaining program requirements
- Understanding billing risk areas
- Describing roles and responsibilities
- Finding ways to improve your compliance program



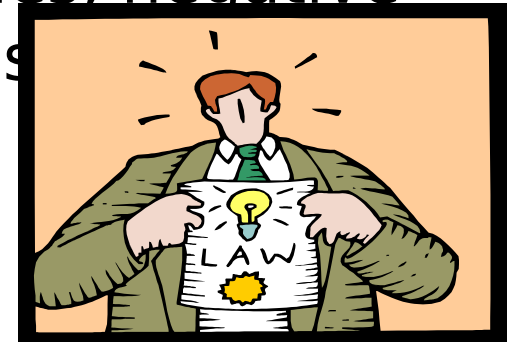
UBO Compliance Program Description

- To monitor the organization to ensure consistent application of laws and rules relating to the MTF billing process
- To ensure ethical billing and collections by identifying problem areas and to establish and implement solutions. The programmatic elements will include, but will not be limited to:
 - Medical records documentation
 - Data quality/coding
 - Billing
 - Accounting and fiscal law
 - Healthcare fraud, waste, and abuse



Why Have a Compliance Program?

- Advantages of a compliance program
 - Helps you to work smarter
 - Helps prevent billing fraud, waste, abuse, and mismanagement
 - Supports overall mission of providing quality care
 - Protects from unethical business practices that put your MTF at risk for penalties, negative publicity, and loss of public trust





Why Have a Compliance Program?

- Federal Managers Financial Integrity Act of 1982 (FMFIA)
 - Requires DoD to implement & assess the effectiveness of financial management internal control
 - OMB Circular A-123, *Management's Responsibility for Internal Control*, and Appendix A, *Internal Controls Over Financial Reporting (ICOFR)*
 - Revenues and expenditures are properly recorded and accounted for on financial and statistical reports
- Chief Financial Officer's Act of 1990 (CFO Act)
 - Goal: Achieve reliable financial data & safeguard resources from Fraud, Waste & Abuse (FW&A)
 - Why?
 - Programming & Budgeting was what financial management was all about; accountability for how the money was spent (executed) was not the priority



Program Requirements

- Minimum Compliance Program Elements
 - Written policies and procedures, including:
 - Standards of conduct validating compliance commitment
 - Regular, monitored education and training programs
 - Effective and efficient lines of communication
 - Written guidelines on how to report discrepancies
 - Enforcement of standards
 - Know your Regulations





Program Requirements

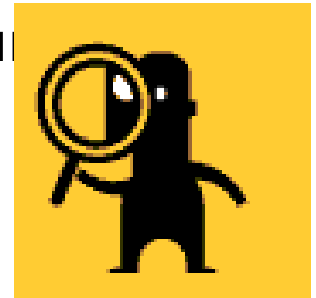
- Periodic audits as required by Service and MTF Commander
- Other evaluation techniques to monitor compliance and assist reducing identified problem areas
- Examples of Key Performance Indicators (KPIs):
 - Registration error rates
 - Identified under-payments
 - Aged Accounts
 - Clean Claims





Program Requirements

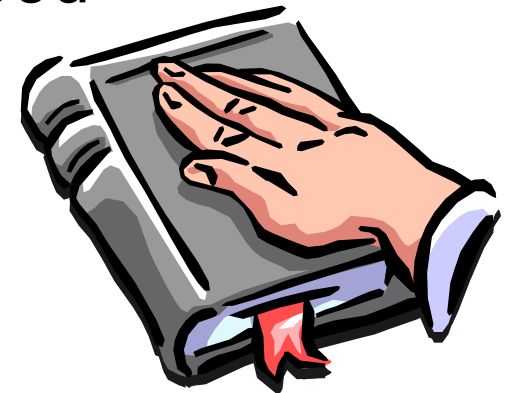
- Respond to detected offenses
- Take corrective action
 - MTF compliance plan should refer offenses to:
 - IG
 - Internal review and audit activities
 - External audit and review agencies
 - Criminal investigation activities procedure





Written Policies and Procedures

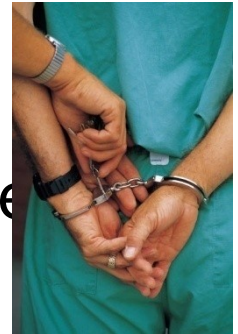
- Standards of Conduct
 - Demonstrate facility's commitment to compliance
 - Ensure delivery of quality health care in an ethical environment
 - MTF mission and goals
 - Expectation of adherence to compliance policies and procedures by all employees
- Document must be easily understood
 - KEEP IT SIMPLE!!





Billing Risk Areas

- Using improper DoD billing rates
 - Outpatient Itemized rates versus inter-ages
- Up-coding
 - Changing procedure codes to bill at a higher rate
 - Inaccurate evaluation and management codes for a higher intensity or level of care than provided
- Charging services without appropriate documentation or substantiation
- Billing for services without an established rate





Billing Risk Areas

- Billing clinic visits as same day surgeries (APVs)
- Billing for services not rendered or documented
- Billing a covered service when it's really not covered
- Billing Medicare for other than civilian emergencies
- Accepting overpayments from payers without TMA authorization
- Commingling TPC and MSA funds
- Destroying claim documentation or a receivables
 - 6-year, 3-month statute of limitations





Billing Risk Areas

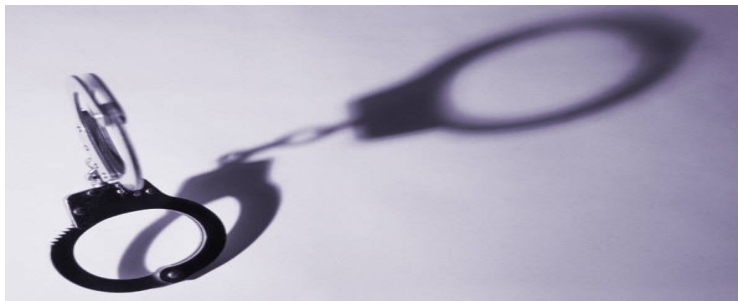
- Failing to execute or follow marginal internal fiscal controls
 - Separation of duties, such as:
 - Creating and submitting bills
 - Posting, logging, and depositing checks and making entries to financial reports
 - Reconciling accounting records
- Failing to record receivables, checks, or payments accurately and promptly





Billing Risk Areas

- Failing to reconcile financial records
 - Invoices, receipts, and cash collection vouchers
 - DD Form 1131
 - Reports of program results
 - DD Form 2570
 - Daily activity logs
 - Monthly MSA reports
 - Reports of treatment furnished to pay patients





Billing Risk Areas

- Inadequate audit trail of financial receipts
 - Concealing improper billing practices
- Impeding investigations
- MTF administration overlooking, disregarding, defending, or affirmatively concealing the MTF's illegal billing practices





Compliance Officer

- UBO Compliance Officer needs direct access to the MTF Executive Committee
- UBO Compliance Officer could be
 - Chief of the Patient Administration Division
 - The Chief of Resource Management
 - Member of MTF Internal Review and Audit department
 - The Data Quality Manager



Should not be the UBO Manager!



Compliance Officer

- Role
 - Oversee/monitor execution of compliance program
 - Periodically review/update program to ensure relevance and compliance with current federal laws and DoD and Service policies
 - Ensure components of compliance program are executed
 - Ensure contractors, vendors, and agents involved with facility are aware of the MTF's compliance program and coding and billing policies and procedures



Compliance Officer

- Responsibilities

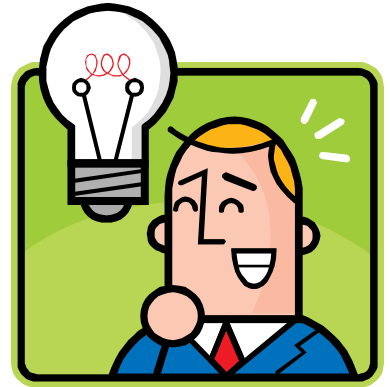
- Review documents and other activities related to compliance
- Assist with internal compliance reviews
 - Includes all departments involved with revenue cycle
- Investigate issues related to compliance
 - Take corrective action and document
- Encourage reporting of suspected fraud, abuse, or mismanagement without fear of retaliation
- Ensure the separation of duties (when feasible)
- Notify MTF commander of Compliance Program progress
 - Include results of audits, investigations, employee discipline





Compliance Committee

- Recommended members:
 - Uniform Business Office
 - The Legal Office
 - Resource Management
 - Internal Review
 - Health Information Management
 - Medical
 - Nursing staff
 - May also include other offices, such as Risk Management and Quality Assurance
- Partner with monthly Data Quality meeting





Compliance Committee

- Responsibilities
 - Advise Compliance Officer and aid in execution of compliance program
 - Monitor internal program controls
 - Ensure periodic audits are performed
 - Ensure internal fiscal and administrative controls are implemented and followed



Challenges to Making It Work

- Program cannot be successful without support of MTF Commander
- Difficult to get entire MTF to follow the rules
- Current systems don't have required capability needed
- Large portion of UBO function is performed by contractors and centrally managed
- Other compliance programs and regulation already audit some areas of the revenue





Training and Education

- Develop ongoing education and training programs with periodic updates
- Document all education, training, and attendance
- Train on all areas of the compliance program
- Post compliance program for all MTF employees
- Brief on how to report discrepancies
- Brief on disciplinary action levels for compliance breaches





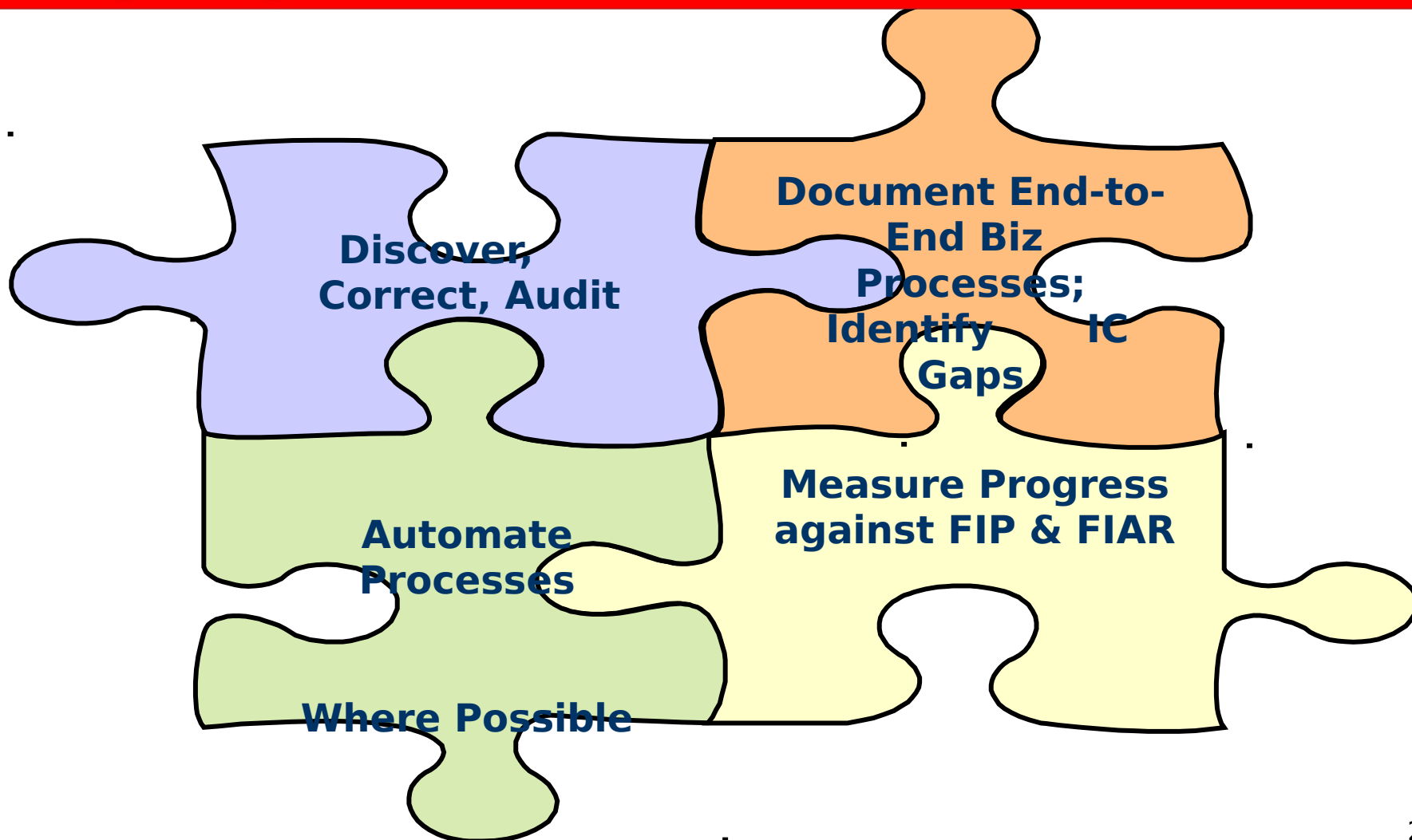
UBO Web Site Compliance Toolkit

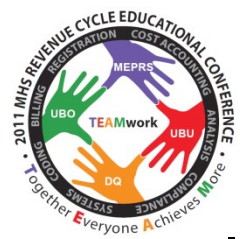
- Anti-Fraud Program at Military Treatment Facilities (MTFs)
- Compliance Plan Implementation Policy
- Code of Conduct
- Certification Memo
- Sample Compliance Committee Charter
- TPCP Claim Post-Submission Review Worksheet
- MSA Claim Post-Submission Review Worksheet
- MAC Claim Post-Submission Review Worksheet
- Compliance Audit Checklist
- Annual Review of Compliance Program Effectiveness Checklist
- Model Compliance Document



How Do We Maintain Compliance?

Ongoing Financial Improvement Initiatives





Automation Initiatives

- Implement U.S. Treasury Web-based Systems for Reimbursements
 - Paper Check Conversion – Over-the-Counter (PCC-OTC): Program free to federal agencies. Services must purchase scanners
 - For use by MTF cashiers to deposit checks from their desks
 - Eliminates manual prep of deposits
 - Accelerates access to funds (versus accumulating for several days before deposit)
 - Eliminates storage of manual pay records (maintained by Treasury system)



Automation Initiatives

- Implement U.S. Treasury Web-based Systems for Reimbursements (cont'd)
 - Pay.gov: Program free to federal agencies
 - For use by patients and insurance companies (similar to Paypal, on-line banking)
 - Accelerates access to funds (versus patients/companies having to write/mail checks)
 - Interagency Payment and Collection System (IPAC) – Program free to federal agencies
 - For use by MTFs to accelerate payment due from other Federal agencies (i.e., VA)
 - Funds drawn from owing agency immediately on request by MTF



In Conclusion

- Become an expert in billing, coding laws, and policies
- Understand best practices for healthcare compliance
- Be aware of the billing risk areas in MTFs
- Effective ongoing monitoring is necessary (i.e., committee meetings)
- Focus organization toward meeting compliance goals – team effort





Q and A

- QUESTIONS????

